Idaho Department of Insurance Joint Public Agency Self-Funded Health Care Plans Registration Requirements

The forms and procedures of the application process are designed to facilitate our review of the application. Therefore, it is extremely important that your application conforms fully with the instructions and requirements set forth below. This list may not provide all the information or requirements that will be needed to register the JPA plan, based upon your particular situation. You will be advised of any additional registration information that is required. Please submit the following:

Payment of fees as outlined in IDAPA 18.01.44.020.03......\$500.00 This fee is non-refundable.

- 1. The attached application for registration form signed and verified by at least two (2) of the JPA/Trust board members.
- 2. A verified copy of the joint powers agreement (JPA) under which the joint public agency self-funded health care plan will exist and operate. The joint powers agreement should comply with Idaho Code Title 41, Chapter 41 and contain, at a minimum, the conditions set forth in Idaho Code §41-4104.
- 3. A copy of the proposed written statement of benefits referred to in Idaho Code §41-4104(2)(c) and §41-4104(3). This should include a table of the rates charged, and the actuarial report determining the rates for the trust as of the expected effective date of registration.
- 4. Copies of all materials used in marketing or the solicitation of business.
- 5. A certified Financial Statement of the trust fund, if already in existence as of the date of this Application. The Statement shall be certified by an independent certified public accountant according to generally accepted accounting principles. The statement must be as of the most recent year-end of the Plan. The statement should be accompanied by an actuarial opinion certifying the reserve liabilities, prepared in accordance with Idaho Code § 41-4110 and Idaho Rule IDAPA 18.01.28.026. The actuarial statement should be prepared in accordance with Actuarial Standards of Practice number 28.
- 6. If a plan has not been in existence a written statement (pro forma) of reasonably projected assets and liabilities of the trust fund for the twelve (12) month period, by month, commencing with the expected start date of the Plan's operations and showing also the amount projected as of the end of such period for claims incurred and not paid and

incurred and not reported as certified by an actuary having experience in establishing rates for a self-funded plan and the health services being provided, and who is also a fellow of the society of actuaries, a member of the American academy of actuaries, or an enrolled actuary under the employment retirement income security act of 1974, as amended. In order to verify compliance with Idaho Code and Rules, the balance sheet should include: 1) detailed list of the type and amount of investments of the Plan; 2) reserves for claims and other items, per Idaho Rule IDAPA 18.01.28.026, which have been certified by an actuary; and 3) other liabilities.

- 7. If the plan is not already in existence, a copy of a business plan. Include the amount of initial funding planned by the JPA members that will be in addition to the monthly contributions. This amount cannot be a loan or encumbered in any way.
- 8. A written statement of reasonably projected income and disbursements of the trust fund, by month, for the twelve month period commencing with the expected effective date of registration of the trust with the Department and including changes to claims liabilities fully set forth in the monthly expenses as calculated by a qualified actuary.
- 9. A certified statement attesting to actuarial soundness of contribution rates. Include the actuarial study prepared by a qualified actuary certifying that the rates for the Plan are sufficient to cover moderately adverse experience and all costs of operation. The study shall include the development and justification of the assumptions used by the actuary in determining the rates. Also, include the employer and employee contribution percentages, and the period of time for which rates may be deemed valid. An actuary who is a member of the American Academy of Actuaries must certify the statement.
- 10. A copy of any study made of the proposed self-funded plan by a consultant for the information or guidance of the members or trustees.
- 11. A certified copy of the dishonesty insurance policy (fidelity bond) or surety bond as required under Idaho Code §41-4114(3). This bond is required of the self-funded plan regardless of any other TPA (third party administrator) bond requirements or bond requirements of an affiliated TPA. The bond or policy should contain the language outlined in IDAPA 18.01.28.027: The bond or dishonesty policy must contain language stating that the bond or policy is noncancellable except upon not less than thirty (30) days advance notice in writing to the trustee and the Director. A copy of any notice cancelling a bond or dishonesty policy required under Chapter 41 is to be forwarded to the Director by the surety or policy provider at the same time it is forwarded to the board.

- 12. A copy of every contract that the Plan has entered including, but not limited to, the contract between the Plan and any administrator, trustee or service company.
- 13. A biographical affidavit for each of the Plan's trustees with original signatures and notarizations.
- 14. A copy of all stop loss agreements between the Plan and a stop loss carrier, which should be compliant with Idaho Code §41-4104(4).
- 15. Information Statement.